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OFFICE OF PETITIONS

Peter Langes
537 Hasting Drive
Benicia CA 94510

In re Patent of	:	
Peter Langes	:	
Patent No. 5,687,761	:	
Issue Date: 11/18/1997	:	
Application No.: 08/727,057	:	DECISION
Filing or 371(c) Date: 10/08/1996	:	ON PETITION
Title of Invention: SEWER BACKUP	:	
INDICATOR APPARATUS	:	

This is a decision on the petition under 37 CFR § 1.378(b), to reinstate the above-identified patent, filed March 28, 2011.

The petition is **DISMISSED**.

Any further petition to revive the above-identified application must be submitted within TWO (2) MONTHS from the mail date of this decision. Extensions of time under 37 CFR 1.136(a) are permitted. The reconsideration request should include a cover letter entitled "Petition under 37 CFR 1.378(e)." This is **not** final agency action within the meaning of 5 U.S.C. § 704.

Background

The patent issued November 18, 1997. Patentee could have paid the seven and one-half (7½) year maintenance fee between November 18, 2004 and May 18, 2005, without a surcharge, or within the six (6) month grace period between May 19, 2005 and November 18, 2005. Patentee failed to do so; accordingly, the patent became expired on November 19, 2005. Patentee also could have paid the eleven and one half (11½) year maintenance fee between November 18, 2008 and May 18, 2009, without a surcharge, or within the six (6) month grace period between May 19, 2009 and November 18, 2009.

The present petition

Patentee/petitioner files the present petition and maintenance fees for the seven and one-half (7½) year maintenance fee and eleven and one half (11½) year maintenance fee; however, no surcharge has been filed. Petitioner provides that the payment of the maintenance fees was unavoidably delayed due to Petitioner's financial hardship from a medical condition that left him disabled and unable to work full time. In support of the petition, Petitioner files copies of letters

from the Social Security Administration dated April 7, 2006 and June 2, 2006 respectively. The April 7, 2006 letter concerns Petitioner's Plan for Achieving Self Support (PASS), and requests more information to decide if Petitioner had been following his plan and whether SSA could extend the plan. Of note is that the letter states that petitioner's current plan has been in effect since July, 2005.

The June 2, 2006 letter notes that Social Security has sent petitioner extra money in order to finance his PASS, and required proof that petitioner had been following his plan's milestones and proof of Petitioner's PASS purchases. Of note is that this letter stated that Petitioner's PASS was approved in September, 2005, but that funds approved were for Petitioner's employment goal of Plumbing Consultant/Instructor only. "No PASS Funds were approved for Petitioner's patent or plumbing invention."

Applicable Law, Rules and MPEP

37 CFR 1.378(b) provides that a patent may be reinstated at any time following expiration of the patent for failure to timely pay a maintenance fee. A petition to accept late payment of a maintenance fee, where the delay was unavoidable, must include:

- (A) the required maintenance fee set forth in 37 CFR 1.20(e)-(g);
- (B) the surcharge set forth in 37 CFR 1.20(i)(1); and
- (C) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent.

Opinion

As to (A), Patentee files the instant petition and avers that a check in the amount of \$3,295.00 was filed with the petition. However, A review of Office finance records show that the Office has not received payment of the seven and one-half (7½) year maintenance fee or the eleven and one half (11½) year maintenance fee.

As to (B), Petitioner is advised that *before the merits of the petition may be considered*, the appropriate surcharge is required. The required surcharge after expiration of the patent where the late payment is asserted to have been unavoidable is currently \$700.00.

Petitioner must submit the appropriate maintenance fee and surcharge before a petition under 37 CFR 1.378(b) may be considered on its merits.

As to (C), the following information regarding the unavoidable standard is provided:

The unavoidable and unintentional standards

A. Unavoidable

37 CFR 1.378(b) requires a showing that the delay in paying the maintenance fee was unavoidable despite reasonable care being taken to ensure that the maintenance fee would be

timely paid. The required showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. Furthermore, an adequate showing requires a statement by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them. Copies of all documentary evidence referred to in a statement should be furnished as exhibits to the statement. (Emphasis supplied).

As language in 35 U.S.C. § 41(c)(1) is identical to that in 35 U.S.C. § 133 (i.e., “unavoidable” delay), a late maintenance fee for the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 35 U.S.C. § 133. *See Ray v. Lehman*, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995) (quoting *In re Patent No. 4,409,763*, 7 USPQ2d 1798, 1800 (Comm’r Pat. 1988), *aff’d sub nom. Rydeen v. Quigg*, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), *aff’d*, 937 F.2d 623 (Fed. Cir. 1991) (table), *cert. denied*, 502 U.S. 1075 (1992)). See MPEP § 711.03(c) for a general discussion of the “unavoidable” delay standard.

Because 35 U.S.C. § 41(c) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. *Ray*, 55 F.3d at 609, 34 USPQ2d at 1788.

That is, an adequate showing that the delay in payment of the maintenance fee at issue was “unavoidable” within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. *Id.* Thus, where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 CFR 1.378(b).

35 U.S.C. § 41(c)(1) does not require an affirmative finding that the delay was unavoidable, but only an explanation as to why petitioner has failed to carry the burden to establish that the delay was unavoidable. *Cf. Commissariat A. L’Energie Atomique v. Watson*, 274 F. 2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960) (35 U.S.C. § 133 does not require the Director to affirmatively find that the delay was unavoidable, but only to explain why applicant’s petition was unavailing). Petitioner is reminded that it is the patentee’s burden under the statutes and regulations to make a showing to the satisfaction of the Commissioner that the delay in payment of a maintenance fee is unavoidable. *See, Rydeen v. Quigg*, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), *aff’d* 937 F.2d 623 (Fed. Cir. 1991) (table), *cert. denied*, 502 U.S. 1075 (1992); *Ray v. Lehman*, *supra*.

In view of the requirement to enumerate the steps taken to ensure timely payment of the maintenance fee, the patentee’s lack of knowledge of the need to pay the maintenance fee and the failure to receive the Maintenance Fee Reminder do not constitute unavoidable delay. *See Patent No. 4,409,763*, *supra*. *See also* Final Rule entitled “*Final Rules for Patent Maintenance Fees*,” published in the *Federal Register* at 49 Fed. Reg. 34716, 34722-23 (August 31, 1984), and republished in the *Official Gazette* at 1046 Off. Gaz. Pat. Office 28, 34 (September 25, 1984). Under the statutes and rules, the Office has no duty to notify patentees of the requirement to pay maintenance fees or to notify patentees when the maintenance fees are due. It is solely the responsibility of the patentee to assure that the maintenance fee is timely

paid to prevent expiration of the patent. The lack of knowledge of the requirement to pay a maintenance fee and the failure to receive the Maintenance Fee Reminder will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the Office. Thus, evidence that despite reasonable care on behalf of the patentee and/or the patentee's agents, and reasonable steps to ensure timely payment, the maintenance fee was unavoidably not paid, could be submitted in support of an argument that the delay in payment was unavoidable.

Moreover, the Patent and Trademark Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the applicant, and applicant is bound by the consequences of those actions or inactions. Link v. Wabash, 370 U.S. 626, 633-34 (1962); Huston v. Ladner, 973 F.2d 1564, 1567, 23 USPQ2d 1910, 1913 (Fed. Cir. 1992); see also Haines v. Quigg, 673 F. Supp. 314, 317, 5 USPQ2d 1130, 1132 (D.N. Ind. 1987). Specifically, petitioner's delay caused by the actions or inactions of his voluntarily chosen representative does not constitute unavoidable delay within the meaning of 35 USC 133 or 37 CFR 1.137(a). Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (D. Ind. 1987); Smith v. Diamond, 209 USPQ 1091 (D.D.C. 1981); Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, 1891 Dec. Comm'r Pat. 130, 131 (Comm'r Pat. 1891). In re Mattullath, 38 App. D.C. 497, 514-15 (1912)(quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-68 (D.D.C. 1963), aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913).

As noted above, a delay resulting from the lack of knowledge or improper application of the patent statute, rules of practice or the MPE does not constitute "unavoidable" delay.

Also, as noted above, under the statutes and rules, the Office has no duty to notify patentees of the requirement to pay maintenance fees or to notify patentees when the maintenance fees are due. **It is solely the responsibility of the patentee to assure that the maintenance fee is timely paid to prevent expiration of the patent.** The lack of knowledge of the requirement to pay a maintenance fee will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the Office.

Further to this, the MPEP provides:

Delay resulting from the lack of knowledge or improper application of the patent statute, rules of practice or the MPEP, however, does not constitute "unavoidable" delay. See Haines, 673 F. Supp. at 317, 5 USPQ2d at 1132; Vincent v. Mossinghoff, 230 USPQ 621, 624 (D.D.C. 1985); Smith v. Diamond, 209 USPQ 1091 (D.D.C. 1981); Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, 1891 Dec. Comm'r Pat. 130, 131 (1891). For example, as 37 CFR 1.116 and 1.135(b) are manifest that proceedings concerning an amendment after final rejection will not operate to avoid abandonment of the application in the absence of a timely and proper appeal, a delay is not "unavoidable" when the applicant simply permits the maximum extendable statutory period for reply to a final Office action to expire while awaiting a notice of allowance or other action. Likewise, as a "reasonably prudent person" would file papers or fees in compliance with 37 CFR 1.8 or 1.10 to ensure their timely filing in the USPTO, as well as preserve adequate evidence of such filing, a delay caused by an applicant's failure to file papers or fees in compliance with 37 CFR 1.8 and 1.10 does not constitute "unavoidable" delay. See Krahn, 15 USPQ2d at 1825. Finally, a delay caused by an

applicant's lack of knowledge or improper application of the patent statute, rules of practice or the MPEP is not rendered "unavoidable" due to: (A) the applicant's reliance upon oral advice from USPTO employees; or (B) the USPTO's failure to advise the applicant of any deficiency in sufficient time to permit the applicant to take corrective action. See *In re Sivertz*, 227 USPQ 255, 256 (Comm'r Pat. 1985). (Emphasis supplied).

Unavoidable Delay Based Upon Financial Difficulty

A showing of "unavoidable" delay based upon financial difficulty must establish that the responsible party (i.e., an individual or the company) lacked the financial resources to pay the issue fee for the above-identified application in a timely manner. To establish that the responsible party did not have the financial resources to pay the maintenance fee during the relevant period, petitioner should provide a month by month accounting of the responsible party's income, profits, credits, and assets, as well as monthly obligations, expenses and bills (such as rent, mortgage, insurance, medical costs, utilities, etc.). Petitioner should also explain how much disposable income or profits the responsible party had on a monthly basis, which could have been used to pay the issue fee in a timely manner. Petitioner must provide the Office with copies of any documents that could confirm the responsible party's financial difficulty during the entire period from November 19, 2005, until the date of the filing of a grantable petition.

Petitioner/applicant is cautioned to avoid submitting personal information in documents filed in a patent application that may contribute to identity theft. Personal information such as social security numbers, bank account numbers, or credit card numbers (other than a check or credit card authorization form PTO-2038 submitted for payment purposes) is never required by the USPTO to support a petition or an application. If this type of personal information is included in documents submitted to the USPTO, petitioners/applicants should consider redacting such personal information from the documents before submitting them to the USPTO. Petitioner/applicant is advised that the record of a patent application is available to the public after publication of the application (unless a non-publication request in compliance with 37 CFR 1.213(a) is made in the application) or issuance of a patent. Furthermore, the record from an abandoned application may also be available to the public if the application is referenced in a published application or an issued patent (see 37 CFR 1.14). Checks and credit card authorization forms PTO-2038 submitted for payment purposes are not retained in the application file and therefore are not publicly available.

Moreover, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Id. Thus, where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 CFR 1.378(b).

The rule requires a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The applicable law, rules and MPEP require a showing as to the steps taken to ensure that the maintenance fee would be timely paid.

In a petition to reinstate an expired patent based upon illness, Patentee must demonstrate that his illness was debilitating to the point that it prevented the patentee from conducting his most important business from the time that the maintenance fee was due until the filing of the petition. The standard requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. The Rule requires that the patentee account for the entire delay, from the time that payment of the maintenance fee was due, to the time of filing a grantable petition.

Regarding submission of medical information, Patentee is also advised to redact (remove) from any copies of medical records or other documents any and all information **relating to social security numbers and other personal information**, i.e. telephone numbers, addresses etc., that would compromise Petitioners privacy.

I. Petitioner may file a request for reconsideration.

After a decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner. Therefore, it is extremely important that petitioner supply **any** and **all** relevant information and documentation with his request for reconsideration. The Director's decision will be based solely on the administrative record in existence. Petitioner should remember that it is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to 'show' that the delay was unavoidable. Therefore, if a request for reconsideration is filed, it must establish that the entire delay in the submission of the maintenance fee was unavoidable.

Further correspondence with respect to this matter should be addressed as follows:

By mail:

Mail Stop PETITIONS
Director for Patents
PO Box 1450
Alexandria, VA 22313-1450

By FAX: (571) 273-8300
Attn: Office of Petitions

By hand: Customer Service Window
Randolph Building
401 Dulany Street
Alexandria, VA 22314

Telephone inquiries concerning this matter should be directed to the undersigned at (571) 272-3232.

/DLW/

Derek L. Woods
Attorney
Office of Petitions